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**Local Government Modernisation In England: A Critical Review of the LGMA
Evaluation Studies**

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Martin Laffin

Durham University

ABSTRACT

New Labour has subjected English local government to an unparalleled period of reform. This article reviews the Local Government Modernisation Agenda evaluation studies commissioned by central government. The review identifies valuable insights from the studies into the contemporary state of English local government, central government and central-local relations. However, the studies also illustrate the need for research on public service reform to include analyses of the political origins of reform policies and the political-bureaucratic issues involved in their implementation. It is also argued that future research needs to rediscover the value of studying local politics ‘in the round’, the impact of socio-economic and non-local factors on local policy outcomes and the role of new sources of policy influence in the channels of central-local relations.

Introduction

The last decade of Labour government in the UK has been associated with an ambitious programme of public service reforms. In England key reform initiatives have been directed at local government and those other units of devolved government responsible for delivering major services such as health. Indeed, the present Labour government has devoted more attention to local government than any of the three earlier post-war Labour governments. For

traditionally, it has been the Conservative party which worried away at local government, initiating the three great postwar English local government reorganisations. In another break with Labour tradition, the government has celebrated and extended, rather than rolled back, the mixed economy of local service delivery inherited from the Conservatives. In particular, the government has inaugurated an intensive period of reform intended to ‘modernise’ and reinvigorate English local councils (elsewhere in the UK the new devolved governments have responsibility for local government in their areas, Laffin 2007). These English reforms have sought a ‘radical re-focussing of councils’ traditional roles’ and the elimination of the ‘old culture of paternalism and inwardness’ (DETR 1998: 8, quoted in Bovaird and Martin 2003: 18).

The government has looked to re-engineer local authorities as strategic leaders within their local communities, enabling services to be delivered rather than necessarily delivering all services themselves. The four successive stages of the Local Government Modernisation Agenda (LGMA), from 1997 onwards, have involved twenty plus individual policies. These policies range from new performance management regimes (Best Value then Comprehensive Performance Assessments) to new council constitutions which require authorities to replace their traditional committee-based decision-making structures with an executive in the form of a leader-and-cabinet or an elected mayor, based on a distinction between ‘executive’ and legislative’ roles. Other notable LGMA policy initiatives include Local Public Service Agreements between central government and individual local authorities, requirements to establish ‘joined-up’ local strategic partnerships and a new approach to local coordination in Local Area Agreements. A range of other policies are also included in the LGMA but are omitted from this article for reasons of space – these policies include funding competitions to

be recognised as ‘Beacon Councils’, new ethical codes for councillors and standards committees for councils.

The LGMA reforms offer a valuable case study of a central government’s capacity to manage change at the local level and underlines the dilemmas of reform confronting Labour as a social democratic government in the early 21st century. Labour party interests have driven much of the policy and at least partly explain the apparently greater urgency the government has attached to town hall rather than Whitehall reform. In its pursuit of electability the party leadership remains suspicious of its own local government activists, especially any resurgence of the left and union power in local government which is perceived, among the Parliamentary Labour Party leadership, as having damaged Labour electorally in the turbulent 1980s (Entwistle and Laffin 2005). In addition, falling electoral turnouts and unrepresentative councillors threaten the legitimacy of local government and the viability of local parties as the vital local-level underpinning for the national parties. Not least the key role of local authorities as responsible for a quarter of public spending and for key public services (especially education and social care) in England has always ensured the sustained interest of central policymakers.

This article reviews some of the evaluations commissioned by the local government ministry in England in its various organisational embodiments, presently as the Department of Community and Local Government (CLG). These evaluation studies cover all of the twenty LGMA policies but exclude other policy initiatives directed at local government but emanating from the big public service departments, especially in education and health – a significant limitation as will be seen later. Articles reporting the main findings of these evaluations have now been published in the themed *Local Government Studies* series,

introduced by Downe and Martin (2006), of which this article is one contribution. Some of the evaluation findings have also been published in other journals such as *Public Administration* and the full reports to government are available on the CLG website. The first part of this review summarises the main findings of the LGMA evaluation studies which provide valuable insights into the present state of English local government and governance and, incidentally, the workings of central departments and central-local government relations. The second part discusses these findings in a broader political and historical context and identifies some gaps in our knowledge of local government and politics as well as of central-local relations.

Summarising the LGMA Studies

The sheer range of LGMA policies raises the question of whether they represent a coherent programme of reform. Downe and Martin (2006: 472-1; see also Geddes and Martin 2000) identify four successive waves of LGMA policies with each wave driven by different aims and strategies with limited evidence of ‘any synergy between them’. They concluded that the LGMA was a case of evolution rather than planning. Central policy-makers tried out one set of modernisation initiatives then, when these appeared not to have succeeded, they introduced a new set. On top of the LGMA initiatives, the big service departments – the Departments of Health, Education and Skills (now Department for Children, Schools and Families), Culture and Sport and the Home Office – have added their own policy initiatives to the local policy mix. Consequently, local authority councillors and officers have been left to puzzle over ‘the multiple, often competing demands that have been placed on them’ (Down and Martin 2006: 471). Indeed, for them the LGMA was less pressing than the requirements of these service departments. Down and Martin (2006: 482) quote one chief executive who pointed out that

the LGMA initiatives only took up about 20 per cent of a typical chief executive's time, whereas the other 80 per cent was absorbed in responding to initiatives generated from the Whitehall service departments. Strikingly, key coordination problems have arisen from apparently quite simple failures within Whitehall to align service targets and funding regimes across central departments (2006: 470) rather than from difficulties created by novel cross-cutting issues. The numerous, separate inspectorates – the Audit Commission, Social Services Inspectorate, Office for Standards in Education etc. – have further compounded these coordination problems with their own requirements and expectations (Davis et al. 2004). The LGMA research implies that the big spending departments have eclipsed the role of the CLG as the local government-sponsoring department. The academic evaluators themselves conclude that their task was limited by their inability to adopt a 'whole systems approach which can evaluate policy impacts across departmental boundaries' (Down and Martin 2006: 486). When this limitation was discussed early on the evaluation programme, the then Department of Environment, Transport and the Regions (DETR) ruled that it could only commission research which evaluated their policies not those of other departments and that to initiate joint, inter-departmental research would be too difficult and time-consuming to be worthwhile (Martin 2003). A good example of the deep-seated nature of problems of inter-departmental coordination.

Local authorities emerge from the evaluation studies as largely passive recipients of central policy initiatives. Central policies eclipse local accountability. Members and officers reported that they were 'following central government's lead, rather than setting their own agendas' and 'the evidence suggests that to date the LGMA has encouraged an environment in which many authorities rely upon strong external pressure exerted by Government policies to motivate change' (Martin and Bovaird 2005: 86). Many authorities reported that current

central policies, like the Comprehensive Performance Assessments (CPA) (explained below), have led them to see themselves as more accountable to central government and less to local people (Ashworth and Skelcher 2005). Even so, central initiatives were seen as ‘broadly congruent with their own authorities’ local priorities’, unlike those of the pre-1997 Conservative policies (Cowell and Martin 2003: 168). Although Cowell and Martin do not tell us how far this congruency might reflect a Labour party consensus across the central-local divide at the time of their research, or whether such a consensus will disappear as more councils fall to the Conservatives as Labour succumbs to mid-term blues. Nonetheless, they identify significant local government frustration with central government. The government simultaneously demands that local authorities should become community leaders yet persists in allocating powers to bodies – such as schools, health agencies and housing associations – outside the direct control of those local authorities (Cowell and Martin 2003: 169).

The government, then, remains averse to any reforms associated with Big Government bureaucratic solutions. It has continued the Conservative’s stress on a mixed economy of provision at the local level, casting local authorities in an enabling rather than delivering role. One key solution to local coordination problems are Local Strategic Partnerships (LSPs) introduced under the Local Government Act 2000. Central policymakers see LSPs as ‘a more fluid set of institutional structures and relationships’ which will remedy the ‘perceived deficiencies of traditional, large bureaucratic “silos”’ (Geddes et al. 2007). LSPs have now been established in most localities. They are organisations, with no direct executive powers, which bring together the different parts of the public sector as well as the private, business, community and voluntary sectors in order to join up and plan their various activities. They are less centrally-prescribed than CPAs. Geddes et al. (2007) find that LSPs are struggling to reconcile their ambitious remit with the realities of both resource constraints and a

questionable legitimacy given their 'ambiguous relationship to local democratic accountability'. In other words, tensions exist between LSPs, as a form of participatory democracy, and representative democracy, embodied in elected councillors. This tension is reflected in the 'unease among local authorities and councillors about the potential leaching of power to LSPs, contributing to the fragmentation of accountability and dilution of local democracy (Geddes 2006: 82). Nevertheless, the government is determined to expand the scope of partnership working by grafting Local Area Agreements (LAAs) onto the LSPs. The LAAs were initially piloted in 2005 and, from 2007, have been extended to all upper tier and unitary authorities. LAAs unify a range of different funding streams into four funding streams for a local authority. The LSP can then make recommendations for local priorities within each of these funding streams which are then submitted to negotiations with central government (CLG 2006). Geddes et al. (2007) see LAAs as likely to enhance those LSPs which already work well but argue that they will compound the problems of those already encountering difficulties. Even so, while LSPs may have serious deficiencies, they have the virtue of opening up local policy debates beyond the limitations imposed by party control (Geddes 2006: 84). Nonetheless, Geddes usefully brings in the wider issues of power. He argues that the impact of LSPs will be reinforce policy maintenance, limiting the 'space of left/progressive programmes' and 'challenges to the 'mainstream' because they give 'greater power and legitimacy than before to private capital and to managerialist public sector interests in local public policy' (2006: 85), but he does not provide any supporting evidence.

Local Public Service Agreements (LPSAs), introduced to all upper tier authorities in 2001, did promise to improve inter-departmental coordination and re-balance the central-local relationship. Essentially LPSAs are extensions of the central government Treasury-department public service agreements to local government. They are agreements between a

local authority and central government (that is a range of service departments and CLG) via the Government Offices which represent those departments at the regional-level. LPSAs set out an authority's commitment to deliver specific improvements in performance and the government's commitment to reward these improvements. About twelve specific improvement targets, seen as likely to be 'stretching' for the authority, are jointly identified. These targets are derived from the priorities established in an authority's community strategy in consultation with the LSP. The targets are a mixture of national targets and locally-defined targets, although national targets predominate (Sullivan and Gillanders 2005). Target attainment is rewarded with a performance reward grant (PRG) and new freedoms and flexibilities for successful local authorities. LPSAs promised quite new possibilities for real negotiations between central government and individual local authorities, in which local priorities could be given a new emphasis. The practice has proved rather different. Sullivan and Gillanders (2005) provide considerable evidence that the big Whitehall service departments are using the LPSAs to tighten their embrace of local authorities, although they are more cautious in their final conclusions. Those involved, from both central and local government, largely experienced the process of negotiation as 'not a real negotiation' but rather as 'central officials "telling" local officials how things are going to be' (Sullivan and Gillanders 2005: 562). This experience was compounded by the relatively junior status of the civil servants involved who had little discretion to accommodate local authority requests. Sullivan and Gillanders remain silent on the contribution of elected members – is the implication that these negotiations are left to the officers correct? The other major limitation of the LPSAs is the rationalistic, economic model underlying them. The assumption is that central government objectives and priorities can be cascaded down to the local level and that the causal mechanisms underlying social problems are well understood. In reality the process of agreeing targets is 'hampered by a lack of understanding of cause and effect and

inadequate data, and complicated by the need to meet ODPM's "value for money" criteria' (2005: 561). Thus, despite the rhetoric of consultation associated with the introduction of LPSAs, doubtless much of it really meant by *local government* ministers, in practice the LPSAs have been driven by ministers in the more powerful service departments.

The clear message from the LGMA studies, then, is that the performance management regimes imposed on local government have had a greater impact on local authorities than LPSAs. The first centrally-imposed performance management regime, labelled 'Best Value', was generally well-received in local government. Not least as authorities saw Best Value as less prescriptive than the previous Conservative government's Compulsory Competitive Tendering. After three years of Best Value ministers still believed that 'the majority of councils was underperforming and would only improve if subject to intensive, top down performance management.' (Downe and Martin 2006: 468). In 2001 ministers introduced the Comprehensive Performance Assessment (CPA) to supersede Best Value. As the name suggests, CPA is authority-wide in scope, unlike Best Value reviews which focussed on specific local services. Like Best Value, they are policed by the Audit Commission. CPA inspections have a punitive component with those authorities at the bottom end of the Audit Commission's performance league table publicly 'named-and-shamed' and compelled to allow external intervention and recovery support. Senior managers, and even occasionally political leaders, have been moved out of these authorities and interim management teams appointed (Turner and Whiteman 2005). Yet the incentives involved in CPAs are limited. Even the high performing authorities have received few of the additional freedoms or 'earned autonomy' promised by central government through the LPSA negotiations (Sullivan and Gillanders 2005). Nonetheless, the CPA can claim significant success. By 2005 the Audit Commission judged almost three-quarters of unitary and upper tier authorities to be 'good' or

‘excellent’; although, paradoxically, the overall performance of local government and public satisfaction with it was declining (Martin and Bovaird 2005). The Audit Commission’s judgements have been particularly important for the standing of local government. Ministers are now seeing a sharp contrast between a now apparently rejuvenated local government and central departments characterised by severe management failings, recently exposed in administrative failures in the Home Office, the Department of Environment, Farming and Rural Affairs, and elsewhere, and in the twelve departmental Capability Reviews.

How far have CPAs changed relationships within local authorities? Senior officers, in particular, face quite new (or is it just different?) pressures to act as leaders. They are now held responsible to an unprecedented extent for management failings (Entwistle et al. 2005). It might be speculated that CPAs are both a threat to and an opportunity for chief executives and other senior officers. The threat has already been mentioned, but the opportunity may lay in how the CPA gives officers a new set of arguments for the primacy of management and, therefore, their own role. Or does the importance of the CPA inevitably suck the executive members into management? Or is there is a trend towards member-officer ‘co-leadership’? with the CPA pressures creating a shared perspective between senior members and officers?

The broader political modernisation agenda has fuelled the professionalisation of political leadership. The greatly increased pay for executive members enables them to spend more time on service delivery issues, again with possible implications for the member-officer relationship (Entwistle et al. 2005). The new political decision-making structures, implemented in the Local Government Act 2000, have not reshaped decision-making to the extent envisaged. The new council constitutions have not significantly modified the dynamics of member-officer relations (Entwistle et al. 2005). The radical, high profile option of elected mayors has not been widely adopted. Stoker and his colleagues (2003; Gains et al. 2005; John

2004) find that only 11 or less than three per cent of English councils have such mayors. Nonetheless, almost all the rest have adopted the leader-cabinet system with the separation of executive and scrutiny roles for councillors. Most authorities have adopted these new structures under central duress and have largely preserved 'many of the institutional attributes of the past system' under the surface (Gains et al. 2005: 26). Similarly, Leach and Copus (2004: 353) find that in most councils the scrutiny function remains underdeveloped as the result of 'the intransigent nature of most party group behaviour'. Thus the requirements to implement this model have largely reinforced existing trends towards the centralisation of decision-making within councils (John 2004). Nonetheless, Gains et al. (2005) and John (2004) are also keen to stress is that these types of change take time to bed in and they detect a dynamic whereby as more and more authorities make them work, others are likely to follow.

Discussion: Key Themes and Future Research

This section develops the discussion further with the aim of placing some of these policy developments in a wider historical and political context. It identifies some key findings and hypotheses and proposes questions for further research. The discussion is organised in four sections: the persistence of centralism and the passivity of the locality, the resilience of departmentalism, the continuing significance of party and central-local relations.

The Persistence of Centralism and the Passivity of the Locality

The strong message of the LGMA studies is that central government is driving change with local authorities taking their cues from the centre rather than the locality. Stewart (2000:

101), a seasoned observer of British local government, notes that local government has been currently 'curiously passive' with individual authorities experiencing central policies as imposed so that 'metaphors that imply interaction, such as "partnership" or "resource-exchange"', seem far away from the reality of central-local relationships as experienced in many authorities' (2000: 102). Certainly, he sees little evidence to support any alternative thesis along the lines of locally-based networks with a 'self-governing' momentum stressed by Rhodes (1997). It should be added that this passivity and deference towards the centre is the norm rather than the exception in the history of British local government. Past instances of local authority resistance to the centre, notably during the politically turbulent 1980s, have been historical anomalies. Even then, those Labour authorities which challenged the Conservative central government did so for partisan rather than territorial reasons (Lansley et al. 1989). The long-standing nationalisation of local politics has always limited the forces of localism.

Historically, policy-makers and reformers at the centre have sought to manage local authorities by influencing the officer structure and forming alliances with them usually against local politicians. This is exactly the reforming strategy which Edwin Chadwick and other reformers advocated in the mid nineteenth century (Laffin 1986: 37-40). CPA is strongly in this tradition. It has worked because CPA has acquired the crucial support of local allies, mainly chief executives and other senior officers rather than among the elected members, essentially because the formers' career prospects and even survival have come to hinge on the CPA results. CPA has also worked because it was backed by an enforcement system capable of detailed monitoring and able to penalise errant authorities in the form of the Audit Commission with its powers of 'naming-and-shaming'. Thus, it could be proposed

that the capacity of the centre to implement policies require, as necessary and sufficient conditions, the support of local allies plus an enforcement mechanism.

Nonetheless, the extent and specificity of central government intervention is historically unparalleled. As I have argued elsewhere (Laffin 2006) in more nuanced detail, during the postwar 'Golden Age' of public service expansion the concerns over local autonomy were muted. Local authorities enjoyed sustained growth and mostly followed the centrally-sponsored and profession-dominated consensus across the major policy areas. During their period of office, the Conservatives pursued a politics of austerity (arguably with limited impact on the overall levels of public expenditure) which involved them seeking detailed control over local government spending. Once New Labour entered office, Labour ministers sought to reinvest in the public services, especially after 2000. New Labour has increased spending but in a tightly controlled way, concerned to gain value for money but also to limit the possibilities of a resurgence of producerist interests, especially public sector unionism, and the urban left of the 1980s. In particular the origins of Best Value and political modernisation lie in the pursuit of Labour electability and the need to reform the Labour party locally (Entwistle and Laffin 2005).

Meanwhile, as the LGMA studies show, LPSAs have not fulfilled their promise of rebalancing the central-local relationship. LPSAs appear to involve an element of negotiation or bargaining between the centre and individual local authorities. They are based on a contractual view of the relationship in which central government actors, as the principal, specify what they expect from individual local authorities, the agents. Indeed, the default setting for the big Whitehall service departments is that local authorities are their agents and, therefore, departments have seen the LPSAs as control mechanisms. Accordingly, some of

the LGMA studies report an assumption among central actors that is those in local government, not them, who have to adapt (for example Sullivan and Gillanders 2005). This failure suggests that such policy planning systems cannot in themselves change relationships but are bound to replicate the underlying power asymmetries. Even so, it may be that some authorities are more effective than others in extracting concessions from the centre – do LPSA negotiations take place outside the ‘political’ arena? are big, political significant authorities, more successful at playing this game than smaller authorities?

The advent of Local Area Agreements (LAAs), which enable funds to be allocated jointly to local authorities and other local agencies, raises similar questions about central-local relationships. Are LAAs reshaping central-local relations? LAAs could also contribute to a bottom-up driven change within central departments as the latter respond to new priorities expressed via the LAAs. But does central government have the capacity, quite apart from the willingness, to build on LAAs? could managing through LAAs kick-start a more corporate approach towards devolved government in Whitehall? Do the regional-level Government Offices, responsible for negotiating then, have to capacity to do so? In 2006 the Government announced its intention ‘to move the GOs from being mainly administrative, programme-focused organisations to strategic and transformational offices that add real value in supporting the delivery of key local and regional outcomes’ (para. 4.8) but with a reduction of a third in staff (HM Treasury 2006). The new expectation that GOs should be ‘strategic’ and ‘transformational’ seems to contrast sharply with their capacity and size. GOs are relatively small with limited representation from the Senior Civil Service. Thus local government chief officers and leading local councillors can find themselves dealing with lower middle-level officials, whom they often perceive as having a less certain grasp of ‘how things work’ than themselves. This anecdotal evidence suggests that GOs have some way to

go if they are to fulfil the role identified by Treasury. That role would also suggest that GOs would need greater discretion than they presently enjoy. Yet the more discretion they enjoy, the less legitimacy they will have in the absence of any oversight from a regionally-elected level of government. Again there is scope for research to track how far GOs are acquiring an enhanced and ‘transformational’ role.

Meanwhile, at the local level LAAs could pose interesting and new political-bureaucratic challenges for senior councillors and officers – how do they seek to manage these partnerships? Are policy outcomes as well as processes changing? More generally, the growing complexity of the central-local relations system could be creating new possibilities for those in local authorities to use the system actively rather than passively as traditionally has been the case, but is this happening? Is complexity enabling authorities to respond flexibly to ‘local problems’? Do they as individual authorities take a strategic view of these and try to manage their relationship in such a way as to preserve some local discretion and/or implement their own priorities despite these planning systems?

The Resilience of Departmentalism

Paradoxically, although the LGMA studies are ostensibly about local government, they contain important findings about the current working of central government. The government has signally failed to impose a consistent strategy across its dealings with the devolved public services despite the pronounced centralising trends of both the Prime Minister and Chancellor. Despite the rhetoric of ‘joined-up’ government, the LGMA studies identify a wide range of policy inconsistencies in central government’s approach to local government. These inconsistencies have left those in local authorities trying to manage upwards as they

struggled to make up for the coordination deficit. Stoker (2004) argues that these policy inconsistencies reflect a strategy of 'government by lottery'. This policy randomness is actually a deliberate New Labour strategy intended to destabilise local actors to encourage them to unlearn old ways and embrace the new ways of working endorsed by the government. As Coulson (2004) argues, a more conventional explanation is both more plausible and economical. Thus these inconsistencies reflect Whitehall's deeply departmentalised nature with ministers themselves competing with each other, pursuing new initiatives without considering how these fit into any overall strategy for government. Not least, of course, service ministers tend to favour greater central controls to advance their own services.

This finding of a resilient departmentalism confirms the findings of earlier Whitehall research studies. Marsh and colleagues, for instance, conclude that 'despite the attempts to "join-up" government, departments continue to segment the operation of the executive' (Marsh et al. 2001: 249). The recent capability reviews of central departments reach similar conclusions (the capability reviews are a central government version of the CPA but have narrower remits and are overseen by the Cabinet Office and not by an independent body). Nearly all the twelve Whitehall departments scrutinised to date are criticised for a lack of collaboration with other departments. CLG itself faces an uphill struggle to assert itself as the coordinating department for local government against the over-weening influence of the service departments. Although the CLG Permanent Secretary is fighting back. In his response to his Department's Capability review he proposes 'delivery agreements' 'with key government departments within the next six months, which [will] establish a shared view of the priority tasks we need to deliver together' (Cabinet Office 2006: 6). Of course, coordination problems are endemic in government and policy-makers can never escape such tensions, perhaps

contrary to received wisdom among some government advisers. Are these problems simply endemic? Or do they reflect, at least in part, political and/or bureaucratic failings quite specific to this government or to this period in time? Can a reinvigorated local government ministry, in the form of CLG, achieve its newly-stated or restated ambition of coordinating the service departments?

Cowell and Martin (2003: 177) question whether existing policies will be able to achieve the types of joined-up government currently advocated by government. They identify a pay-off between greater vertical integration between central ministries and local delivery agencies and less horizontal integration at the local level. Thus supporting a working hypothesis that the stronger the vertical, top-down central-local structures, the weaker will be the horizontal relationships. This hypothesis, of course, implies that the central push for greater local 'community leadership' conflicts with the pull of the compliance culture generated by tight central requirements and inspectorates.

The limited remit of LGMA studies has meant that LGMA researchers have not been able to explore the relative impact of other central policies directed at local services. Although, they report a great deal on the local problems of joining up central initiatives, they have little to say on the major changes to local authorities' departmental structures. Yet local authorities are shifting towards multi-disciplinary and problem-focussed organisations in which traditional professional competencies and commitments are losing their status. The best example of this shift are the directorates of children's services in which all top tier and unitary authorities are compelled, under the *Every Child Matters* agenda and the Children's Act 2004, to bring together all services relating to children. As a result the new directorates are mega-department responsible for approaching three-quarters of these authorities' budgets.

This requirement follows the 2004 Laming Report into the death of a child which the various public services involved had failed to prevent through poor interagency coordination and other problems. But as yet little is known about how this restructuring is changing internal relationships. Are local authorities more effectively joining-up services, both internally and with other agencies, through these enlarged departments? What are the knock-on effects for other services? How has professionalism and professional influence, long identified by critics as an endemic weakness of local government, been affected by this restructuring?

The Continuing Significance of Parties

The LGMA policies assumed that the traditional party mechanisms needed to be modernised and complemented, even over-ridden, by elected mayors, executive members and new forms of participatory democracy. The LGMA studies necessarily refer back to official policy rationales and objectives and mostly evaluate the LGMA policies in those terms. However, powerful reasons also exist for the Labour parliamentary leadership to be anxious to ‘reform’ local government. During the 1980s and 1990s that leadership had identified Labour local authorities, especially those captured by the left and afflicted with overbearing union militancy, as major reasons for Labour’s loss of electoral credibility nationally. So significant effort was put into designing policies, such as Best Value and political modernisation (seen as a way of marginalising party activists), to improve the image of Labour local government and reduce the influence of the local government unions (Entwistle and Laffin 2005). The LGMA researchers overlook these party political drivers, even in their academic outputs..

The political modernisation of council decision-making, then, had as much to do with reforming the Labour party as it did with reforming local government. Political

modernisation won little support among Labour local councillors, and for that matter from the other main parties as well, who mostly responded in a passive-aggressive way. As Lowndes and Wilson (2003:) point out, political modernisation illustrates an old lesson of administrative reform – while it is relatively easy to change organisation forms, the underlying institutional patterns usually prove less tractable. The weak implementation of modernisation also supports another lesson of administrative reform, a lesson often neglected in both the British and the international literature on administrative reform, that these reforms are fundamentally political. Thus, as proposed earlier in relation to CPA, to be effective central government interventions require both local allies and an enforcement mechanism. Thus CPA has had a greater impact on local authorities than political modernisation which lacks such allies and an enforcement mechanism.

The local branches of the national parties, not the least the Labour party as the main object of many of these reforms, remain resistant to reform. Pratchett (2004: 222) notes that over the last ten years the main political parties have further increased their dominance of local government, yet at the same time the decline in party membership poses pressing questions over the continuing effectiveness of the party as the democratic link between citizen and government. Copus (2004: 277) argues that the political parties have become exclusive, alienating rather than engaging citizens locally. The introduction of the ‘executive-legislative’ distinction into local government, grouping councillors into ‘executive members’ and backbenchers sitting on ‘scrutiny’ committees has been achieved less effective scrutiny than expected. Leach (2006: 136), drawing on the LGMA studies, concludes that ‘many authorities have found it difficult to move away from the traditional agendas, processes and reports of the old committee system’ which impede scrutiny.

The LSPs offer a potential alternative link between the citizen and government. Skelcher (2004, p. 41) accepts the continuing decline in traditional electoral politics but discerns ‘signs of a new politics emerging around some partnership activity in a way that mobilizes and engages citizens in the governance of their communities’ but is not more specific. Of course, partnerships do not necessarily increase participation, as Skelcher recognises. Geddes (2006: 830) is pessimistic and sees LSPs as entrenching rather than challenging the status quo. Geddes et al.’s (2007) LSP evaluation do not provide the right evidence to test this argument as it relies heavily on the comments of those directly involved and does not analyse them within their broader local political settings. Although, as Geddes et al. point out, LSPs are the type of institutional innovation which needs time to bed in. The difficulty as well with LSPs is that they have been seen as a ‘one-size-fits-all’ solution yet, like all partnerships, to work they require consensus and tend to lack conflict resolution mechanisms. There is also a collective action problem. Local authorities have strong incentives to establish partnerships as these are now objects of inspection under the CPA, yet the other partners do not have the same incentives. The voluntary sector has the incentive of grants but other statutory agencies and business have little incentive to become involved. Are LSPs, then, simply recasting existing power relationships? How do they relate to the political parties? It would be useful to have studies of LSPs which locate them in the context of local politics. Thus scope exists for studies of the external as well as the internal relationships of local authorities. Studies of local authorities or local political systems ‘in the round’ (e.g. Dearlove, 1974, Newton 1976, Saunders 1979) have gone out of fashion. Notably, Pratchett (2004: 229) refers to two studies now over 30 years old (Jones 1969 and Newton 1976) as still providing ‘valuable insights into the significance of local politics and the different ways it works’. These earlier studies are refreshingly readable and give insights into the realities of local politics all too often missing from the more recent literature. They do convey a sense of the realities of local

politics and, influenced by the US community power debate of the time, pose issues of power and conflict – political versus professional-bureaucratic power, managers versus unions and party versus pressure group politics.

Of course, such locally-focussed studies can exaggerate the autonomy of the local. They have an in-built bias against exogenous factors such as the socio-economic characteristics of the locality. The work of Andrews et al. raises key issues here (Andrews et al., 2005; Andrews et al. 2006). They refer back to an older tradition of local government research which stresses external constraints on inter-authority variations in expenditure decisions (Danziger 1978, Sharpe and Newton 1984) and pinpoint a serious weakness of the Audit Commission's approach to CPA. They find that those councils which enjoy the advantages of large size and economic prosperity are more likely to achieve high ratings than those which face diverse service needs. As they stress, this conclusion has important practical policy implications at a time when central government is making decisions to intervene or issue plaudits to authorities based on CPA ratings.

Central-Local Relations and the Non-Local Determinants of Local Policy

Although the LGMA studies are relevant to central-local relations, those relations remain under-researched. Yet, as the earlier discussion makes clear, a full understanding of local government requires an appreciation of the political and administrative dynamics at the national level. My own research, with a colleague, has shown how the intra-party politics of the Labour party shaped Best Value and other modernisation policies (Entwistle and Laffin 2005) and how the decline of professional influence nationally has had major implications for professional power and traditional departmental structures locally (Laffin and Entwistle

2000). This research suggests that Dunleavy's criticism of an earlier local government literature remains valid today for the LGMA studies – that they under-estimate the consequences for local policy outcomes of the non-local factors of national party control, the local government professions (or nowadays their fluctuating fortunes) and big business based outside the locality (Dunleavy 1980). To this list, as local government has become local governance, four further sources of real or potential non-local influence can be added. Firstly, the other vertical policy hierarchies which have their own 'siloed' interests – for example the health service, the Home Office plus the police and the Housing Corporation plus housing associations. Secondly, the inspectorates (such as the Audit Commission) which arguably have become key mechanisms whereby central policymakers learn about the state of local government. Thirdly, the new type of commercial service companies, like SERCO and CAPITA, which have come to play a prominent role in service delivery, initially in the more routine functions but increasingly in managing more complex tasks in education and other areas. Fourthly, the 'mega-charities' which have become increasingly involved in service delivery and bring a different set of concerns to delivery from those of local authorities. The significance of these sources of policy influence, at both national and local levels, represent a vital agenda for further research (for more details see Laffin 2006).

Conclusions

This review of the LGMA studies has sought to put a different, less official spin on the research findings generated by the LGMA research studies. Significant scope does exist for these findings to be interpreted in a wider historical and political context. Indeed, the LGMA case illustrate the need for research on public service reform to include analyses of the political origins of reform policies and the political-bureaucratic issues involved in their

implementation. Specifically, in the case of LGMA these imperatives include those of party electability, managing intra-party tensions and the crucial relationship with the public sector unions. These imperatives are vital to any explanation of why New Labour has attached such importance to local government reform. Not least, too, future research needs to rediscover the value of studying local politics in the round, the impact of socio-economic factors on local policy outcomes and the vital role of central-local relations.

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